

AMENDED IN SENATE JULY 3, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 639

Introduced by Assembly Member John A. Pérez
(Principal coauthors: Assembly Members Atkins and Muratsuchi)
(Coauthors: Assembly Members Achadjian, Bocanegra, Bonilla,
Buchanan, Brown, Ian Calderon, Chesbro, Daly, Eggman, Fox,
Maienschein, Perea, Quirk-Silva, Rendon, Wieckowski, and
Williams)
(Coauthors: Senators DeSaulnier, Hueso, Gaines, Roth, and Wyland)

February 20, 2013

An act to amend ~~Section 51005~~ Sections 50408, 50501, 50505, 50510, and 50512 of the Health and Safety Code, and to amend Section 998.403 of, and to add Article 3.2 (commencing with Section 987.001), and Article 5y (commencing with Section ~~998.540~~) 998.540), to Chapter 6 of Division 4 of, the Military and Veterans Code, relating to the financing of a program to provide housing *and services* to veterans through the issuance and sale of bonds of the State of California and by providing for the handling and disposition of those funds, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 639, as amended, John A. Pérez. *Veterans Housing and Homeless Prevention Bond Act of 2014*: Veterans Housing and Homeless Prevention Act of 2014.

Existing law, the Veterans' Bond Act of 2008, as approved by the voters, authorizes the issuance of bonds in the amount of \$900,000,000, pursuant to the State General Obligation Bond Law, for purposes of

financing the Cal-Vet program for farm, home, and mobilehome purchase assistance for veterans.

This bill would amend the Veterans' Bond Act of 2008 to reduce the amount of bonds that are authorized to be issued under the act from \$900,000,000 to \$300,000,000. The bill would ~~instead~~ *enact the Veterans Housing and Homeless Prevention Bond Act of 2014 (the bond act)* to authorize the issuance of bonds in the amount of \$600,000,000, as specified, for expenditure by ~~the California Housing Finance Agency, the Department of Housing and Community Development for purposes of the construction, rehabilitation, and preservation of multifamily housing for veterans, in collaboration with the Department of Veterans Affairs Development, and the Department of Veterans Affairs to provide multifamily housing and services to veterans pursuant to the Veterans Housing and Homeless Prevention Act of 2014 (VHHPA), also enacted by the bill.~~ The bill would authorize the Legislature to amend the provisions of ~~this the bond act, by majority vote, under specified criteria.~~ *for specified purposes.* The ~~bill~~ *bill* would impose a specified reporting requirement on the ~~California Housing Finance Agency Department of Housing and Community Development to evaluate, in collaboration with the Department of Veterans Affairs, any program established by the former pursuant to the VHHPA. The bill would authorize the Department of Housing and Community Development to provide specified assistance to veterans.~~

The bill would provide for submission of ~~its provisions~~ *a specified section* to the voters at the November 4, 2014, general election, as specified.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes.

State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 ~~SECTION 1. Section 51005 of the Health and Safety Code is~~
- 2 ~~amended to read:~~
- 3 ~~51005. (a) The agency shall, by November 1 of each year,~~
- 4 ~~submit an annual report of its activities under this division for the~~
- 5 ~~preceding year to the Governor, the Secretary of the Business and~~
- 6 ~~Transportation Agency, the Director of Housing and Community~~
- 7 ~~Development, the Treasurer, the Joint Legislative Budget~~

1 Committee, the Legislative Analyst, and the Legislature. The report
2 shall set forth a complete operating and financial statement of the
3 agency during the concluded fiscal year. The report shall specify
4 the number of units assisted, the distribution of units among the
5 metropolitan, nonmetropolitan, and rural areas of the state, and
6 shall contain a summary of statistical data relative to the incomes
7 of households occupying assisted units, the monthly rentals charged
8 to occupants of rental housing developments, and the sales prices
9 of residential structures purchased during the previous fiscal year
10 by persons or families of low or moderate income. The report shall
11 also include a statement of accomplishment during the previous
12 year with respect to the agency's progress, priorities, and
13 affirmative action efforts. The agency shall specifically include in
14 its report on affirmative action goals, statistical data on the numbers
15 and percentages of minority sponsors, developers, contractors,
16 subcontractors, suppliers, architects, engineers, attorneys, mortgage
17 bankers or other lenders, insurance agents, and managing agents.

18 (b) The report shall also include specific information evaluating
19 the extent to which the programs administered by the agency have
20 attained the statutory objectives of the agency, including, but not
21 limited to, (1) the primary purpose of the agency in meeting the
22 housing needs of persons and families of low or moderate income
23 pursuant to Section 50950, (2) the occupancy requirements for
24 very low income households established pursuant to Sections
25 50951 and 51226, (3) the elderly and orthopedic disability
26 occupancy requirements established pursuant to Section 51230,
27 (4) the use of surplus moneys pursuant to Section 51007, (5) the
28 metropolitan, nonmetropolitan, and rural goals established pursuant
29 to subdivision (h) of Section 50952, (6) the California Statewide
30 Housing Plan, as required by Section 50154, (7) the statistical and
31 other information developed and maintained pursuant to Section
32 51610, (8) the number of manufactured housing units assisted by
33 the agency, (9) information with respect to the proceeds derived
34 from the issuance of bonds or securities and any interest or other
35 increment derived from the investment of bonds or securities, and
36 the uses for which those proceeds or increments are being made
37 as provided for in Section 51365, including the amount by which
38 each fund balance exceeds indenture requirements, (10) any
39 recommendations described in subdivision (d), (11) any
40 recommendations described in Section 51227, (12) the revenue

~~1 bonding authority plan adopted pursuant to Section 51004.5, (13)
2 the statistical and other information required to be provided
3 pursuant to Section 50156, (14) an analysis of the agency's
4 compliance with the targeting requirements of subsection (d) of
5 Section 142 of the Internal Revenue Code of 1986 (26 U.S.C. Sec.
6 142) with respect to any issue of bonds subject to those
7 requirements under Section 103 of the Internal Revenue Code of
8 1986 (26 U.S.C. Sec. 103), including the numbers of rental units
9 subject to this reporting requirement by categories based on the
10 number of bedrooms per unit, and (15) the statistical and other
11 information relating to congregate housing for the elderly pursuant
12 to Section 51218.~~

~~13 The agency may, at its option, include the information required
14 by this section in a single document or may separately report the
15 statistical portion of the information in a supplement appended to
16 its annual report. This statistical supplement shall be distributed
17 with copies of the agency's annual report, but need not be provided
18 to bond rating agencies, underwriters, investors, developers, or
19 financial institutions.~~

~~20 (c) The agency shall cause an audit of its books and accounts
21 with respect to its activities under this division to be made at least
22 once during each fiscal year by an independent certified public
23 accountant and the agency shall be subject to audit by the
24 Department of Finance not more often than once each fiscal year.~~

~~25 (d) The agency shall assess any obstacles or problems that it
26 has encountered in meeting its mandate to serve nonmetropolitan
27 and rural metropolitan areas, and recommend legislative and
28 administrative solutions to overcome these obstacles or problems.
29 The agency shall separately assess its progress in meeting the
30 rehabilitation needs of rural areas and the new construction needs
31 of rural areas, and separately assess its progress as to single and
32 multifamily units. The agency shall include in its report a
33 quantification and evaluation of its progress in meeting the housing
34 needs of communities of various sizes in rural areas.~~

~~35 (e) By December 1 of each fiscal year, the agency shall ascertain
36 that not less than 25 percent of the total units financed by mortgage
37 loans during the preceding 12 months pursuant to this part were
38 made available to very low income households. If the agency finds
39 that these very low income occupancy goals have not been met,
40 the agency shall immediately notify the Governor, the Speaker of~~

1 the Assembly, and the Senate Committee on Rules, and shall
2 recommend legislation or other action as may be required to make
3 (1) at least 25 percent of the units so available, and (2) at least 25
4 percent of the units thereafter financed so available. In housing
5 developments for which the agency provides a construction loan
6 but not a mortgage loan, the agency shall report annually on the
7 percentage of units projected to be made available for occupancy
8 and actually occupied by lower income households.

9 (f) The annual report required pursuant to this section shall also
10 include an evaluation of any program established by the department
11 pursuant to Article 5y (commencing with Section 998.540) of
12 Chapter 6 of Division 4 of the Military and Veterans Code.

13 SEC. 2. Section 998.403 of the Military and Veterans Code is
14 amended to read:

15 998.403. For the purpose of creating a fund to provide farm
16 and home aid for veterans in accordance with the Veterans' Farm
17 and Home Purchase Act of 1974 (Article 3.1 (commencing with
18 Section 987.50)), and of all acts amendatory thereof and
19 supplemental thereto, the committee may create a debt or debts,
20 liability or liabilities, of the State of California, in the aggregate
21 amount of not more than three hundred million dollars
22 (\$300,000,000), exclusive of refunding bonds, in the manner
23 provided herein.

24 SEC. 3.

25 SECTION 1. Article 5y (commencing with Section 998.540)
26 is added to Chapter 6 of Division 4 of the Military and Veterans
27 Code, to read:

28
29 Article 5y. The Veterans Housing and Homeless Prevention
30 *Bond* Act of 2014
31

32 998.540. This article shall be known and may be cited as the
33 Veterans Housing and Homeless Prevention *Bond* Act of 2014.

34 998.541. (a) California is home to almost two million veterans,
35 more than any other state in the nation, and with the winding down
36 of the wars in Iraq and Afghanistan, an unprecedented number of
37 California veterans will return to our communities, many in need
38 of housing, employment, mental health and drug treatment, and
39 physical rehabilitation.

1 (b) Unfortunately, California also leads the nation in the number
2 of homeless veterans, roughly 25 percent of the nation's homeless
3 veterans live in California, approximately 19,000 veterans.
4 According to the California Research Bureau, Los Angeles is
5 number one in terms of the number of homeless veterans followed
6 by the San Diego region at number three, and the San Francisco
7 Bay Area at number nine.

8 (c) Moreover, the face of the nation's homeless veterans'
9 population is changing as more OIF/OEF veterans find themselves
10 in a downward spiral towards homelessness and, increasingly,
11 female veterans and their children comprise more and more of the
12 homeless veteran demographic.

13 (d) With their higher rates of posttraumatic stress disorder,
14 substance abuse, and unemployment, as well as the higher
15 incidence of sexual trauma experienced by our female veterans,
16 the current homeless veteran, all too often, cycles in and out of
17 our jails, hospitals, and treatment programs, disproportionately
18 drawing down services without receiving the proper services to
19 stabilize their lives.

20 (e) The Legislature must advance a comprehensive, coordinated,
21 and cost-effective approach to respond to the housing and services
22 needs of our veterans. Such an approach should leverage public
23 and private resources as well as align housing and services.

24 (f) Five years ago, Californians overwhelmingly affirmed their
25 gratitude to our veterans by approving Proposition 12, a \$900
26 million general obligation bond intended to help veterans
27 specifically purchase single family homes, farms, and mobilehomes
28 through the CalVet Home Loan Program.

29 (g) As a result of the nation's economic crisis and state's housing
30 downturn coupled with the changing demographics of our veterans,
31 the Farm and Home Loan Program, as approved by Proposition
32 12, has been significantly undersubscribed. Five years since its
33 passage, the full \$900 million remains unspent as does a portion
34 of the \$500 million from Proposition 32, which was approved by
35 the voters in 2000.

36 (h) Meanwhile, veterans in need of multifamily housing that is
37 affordable, supportive, and transitional remains unmet and public
38 and private resources available for these purposes remain
39 underutilized.

(i) California voters should be granted the opportunity to restructure the Proposition 12 veterans' bond program to better respond to the housing and services needs as well as the changing demographics of the current veteran.

(j) The Veterans Housing and Homeless Prevention *Bond Act* of 2014 will restructure \$600 million of the existing Proposition 12 bond moneys to allow for the construction and rehabilitation of multifamily housing for veterans and prioritize projects that align housing with services. Even with this restructuring of bond moneys, the act still preserves over half a billion dollars for the existing CalVet Farm and Home Loan Program.

(k) The Veterans Housing and Homeless Prevention *Bond Act* of 2014 will expand housing and service options for veterans, cost-effectively leverage public dollars, reduce the number of homeless veterans and its attendant public costs, and place California at the forefront of our nation's efforts to end veterans homelessness by 2015.

998.542. (a) The State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), *as amended from time to time*, except as otherwise provided herein, is adopted for the purpose of the issuance, sale, and repayment of, and otherwise providing with respect to, the bonds authorized to be issued by this article, and the provisions of that law are included in this article as though set out in full in this article. All references in this article to "herein" refer both to this article and that law.

(b) For purposes of the State General Obligation Bond Law, the *California Housing Finance Agency, the Department of Housing and Community Development Development, and the Department of Veterans Affairs* is designated the board.

998.543. As used herein, the following terms have the following meanings:

(a) "Board" means the *California Housing Finance Agency, the Department of Housing and Community—Development Development, and the Department of Veterans Affairs*.

(b) "Bond" means a veterans' bond, a state general obligation bond, issued pursuant to this article adopting the provisions of the State General Obligation Bond Law.

1 (c) “Bond act” means this article authorizing the issuance of
2 state general obligation bonds and adopting the State General
3 Obligation Bond Law by reference.

4 (d) “Committee” means the Housing for Veterans Finance
5 Committee, established pursuant to Section 998.547.

6 (e) “Fund” means the Housing for Veterans Fund, established
7 pursuant to Section 998.544.

8 998.544. (a) Bonds in the total amount of six hundred million
9 dollars (\$600,000,000), or so much thereof as is necessary, not
10 including the amount of any refunding bonds, or so much thereof
11 as is necessary, may be issued and sold to provide a fund to be
12 used for carrying out the purposes expressed in subdivision (b)
13 and to reimburse the General Obligation Bond Expense Revolving
14 Fund pursuant to Section 16724.5 of the Government Code. The
15 bonds, when sold, shall be and constitute a valid and binding
16 obligation of the State of California, and the full faith and credit
17 of the State of California is hereby pledged for the punctual
18 payment of both principal of, and interest on, the bonds as the
19 principal and interest become due and payable.

20 (b) ~~(1) The proceeds of bonds issued and sold pursuant to this~~
21 ~~section shall be made available to the board for the purposes of~~
22 ~~the construction, rehabilitation, and preservation of multifamily~~
23 ~~housing that is affordable, supportive, and transitional. The bond~~
24 ~~proceeds shall only be used for units designated for veterans and~~
25 ~~their families creating a fund to provide multifamily housing and~~
26 ~~services to veterans and their families pursuant to the Veterans~~
27 ~~Housing and Homeless Prevention Act of 2014 (Article 3.2~~
28 ~~(commencing with Section 987.001), and any subsequent statutory~~
29 ~~enactment that amends that act or enacts or amends any successor~~
30 ~~act.~~

31 ~~(2) The program established pursuant to paragraph (1) shall be~~
32 ~~administered by the board, in collaboration with the Department~~
33 ~~of Veterans Affairs.~~

34 ~~(3) The board shall establish a program to focus on veterans at~~
35 ~~risk for homelessness or experiencing temporary or chronic~~
36 ~~homelessness.~~

37 ~~(4) To the extent feasible, the board shall establish and~~
38 ~~implement programs that, among other things, do the following:~~

39 ~~(A) Leverage public (federal, state, and local), private, and~~
40 ~~nonprofit program and fiscal resources.~~

1 ~~(B) Prioritize projects that combine housing and supportive~~
2 ~~services, such as job training, mental health and drug treatment,~~
3 ~~or physical rehabilitation.~~

4 ~~(C) Promote public and private partnerships.~~

5 ~~(D) Foster innovative financing opportunities.~~

6 ~~(5)~~

7 (c) The Legislature may, from time to time, by majority vote,
8 amend the provisions of this act for the purpose of improving
9 program efficiency, effectiveness, and accountability, or for the
10 purpose of furthering overall program goals.

11 ~~(e)~~

12 (d) The proceeds of bonds issued and sold pursuant to this article
13 shall be deposited in the Housing for Veterans Fund, which is
14 hereby created.

15 ~~(d) Bonds~~

16 (e) *The proceeds of the bonds* deposited in the Housing for
17 Veterans Fund shall be subject to annual appropriation, as
18 determined by the Legislature.

19 998.546. The bonds authorized by this article shall be prepared,
20 executed, issued, sold, paid, and redeemed as provided in the State
21 General Obligation Bond Law (Chapter 4 (commencing with
22 Section 16720) of Part 3 of Division 4 of Title 2 of the Government
23 Code), and all of the provisions of that law, except *subdivisions*
24 *(a) and (b)* of Section 16727 of the Government Code, shall apply
25 to the bonds and to this article and are hereby incorporated in this
26 article as though set forth in full in this article.

27 998.547. Solely for the purpose of authorizing the issuance
28 and sale pursuant to the State General Obligation Bond Law of
29 the bonds authorized by this article, the Housing for Veterans
30 Finance Committee is hereby created. For purposes of this article,
31 the Housing for Veterans Finance Committee is “the committee”
32 as that term is used in the State General Obligation Bond Law.
33 The committee consists of the Controller, Treasurer, Director of
34 Finance, ~~and the Director of Housing and Community~~
35 ~~Development, Secretary of Business, Consumer Services, and~~
36 ~~Housing, and Secretary of Veterans Affairs,~~ or their designated
37 representatives. The Treasurer shall serve as chairperson of the
38 committee. A majority of the committee may act for the committee.

39 998.548. The committee shall determine whether or not it is
40 necessary or desirable to issue bonds authorized pursuant to this

1 article in order to carry out the actions specified in Section 998.544
2 and, if so, the amount of bonds to be issued and sold. Successive
3 issues of bonds may be authorized and sold to carry out those
4 actions progressively, and it is not necessary that all of the bonds
5 authorized to be issued be sold at any one time.

6 998.549. There shall be collected each year and in the same
7 manner and at the same time as other state revenue is collected,
8 in addition to the ordinary revenues of the state, a sum in an amount
9 required to pay the principal of, and interest on, the bonds each
10 year. It is the duty of all officers charged by law with any duty in
11 regard to the collection of the revenue to do and perform each and
12 every act that is necessary to collect that additional sum.

13 998.550. Notwithstanding Section 13340 of the Government
14 Code, there is hereby appropriated from the General Fund in the
15 State Treasury, for the purposes of this article, an amount that will
16 equal the total of the following:

17 (a) The sum annually necessary to pay the principal of, and
18 interest on, bonds issued and sold pursuant to this article, as the
19 principal and interest become due and payable.

20 (b) The sum necessary to carry out Section 998.551,
21 appropriated without regard to fiscal years.

22 998.551. For the purposes of carrying out this article, the
23 Director of Finance may authorize the withdrawal from the General
24 Fund of an amount not to exceed the amount of the unsold bonds
25 that have been authorized by the committee to be sold for the
26 purpose of carrying out this article. Any amounts withdrawn shall
27 be deposited in the fund. Any money made available under this
28 section shall be returned to the General Fund from proceeds
29 received from the sale of bonds for the purpose of carrying out
30 this article.

31 998.552. All money deposited in the fund that is derived from
32 premium and accrued interest on bonds ~~not sold~~ *sold, in excess of any*
33 *amount of premium used to pay costs of issuing the bonds*, shall
34 be reserved in the fund and shall be available for transfer to the
35 General Fund as a credit to expenditures for bond interest.

36 998.553. Pursuant to Chapter 4 (commencing with Section
37 16720) of Part 3 of Division 4 of Title 2 of the Government Code,
38 *all or a portion of* the cost of bond issuance ~~shall~~ *may* be paid out
39 of the bond ~~proceeds~~ *proceeds, including any premium derived*

1 *from the sale of the bonds.* These costs shall be shared
2 proportionally by each program funded through this bond act.

3 998.554. The board may request the Pooled Money Investment
4 Board to make a loan from the Pooled Money Investment Account,
5 including other authorized forms of interim financing that include,
6 but are not limited to, commercial paper, in accordance with
7 Section 16312 of the Government Code, for purposes of carrying
8 out this article. The amount of the request shall not exceed the
9 amount of the unsold bonds that the committee, by resolution, has
10 authorized to be sold for the purpose of carrying out this article.
11 The board shall execute any documents required by the Pooled
12 Money Investment Board to obtain and repay the loan. Any
13 amounts loaned shall be deposited in the fund to be allocated by
14 the board in accordance with this article.

15 998.555. The bonds may be refunded in accordance with Article
16 6 (commencing with Section 16780) of Chapter 4 of Part 3 of
17 Division 4 of Title 2 of the Government Code, which is a part of
18 the State General Obligation Bond Law. Approval by the voters
19 of the state for the issuance of the bonds described in this article
20 includes the approval of the issuance of any bonds issued to refund
21 any bonds originally issued under this article or any previously
22 issued refunding bonds.

23 998.556. Notwithstanding any other provision of this article,
24 or of the State General Obligation Bond Law, ~~if the Treasurer sells~~
25 ~~bonds pursuant to this article that include a bond counsel opinion~~
26 ~~to the effect that the interest on the bonds is excluded from gross~~
27 ~~income for federal tax purposes, subject to designated conditions,~~
28 the Treasurer may maintain separate accounts for the investment
29 of bond proceeds and for the investment of earnings on those
30 proceeds. The Treasurer may use or direct the use of those proceeds
31 or earnings to pay any rebate, penalty, or other payment required
32 under federal law or take any other action with respect to the
33 investment and use of those bond proceeds required or desirable
34 under federal *tax* law ~~to maintain the tax exempt status of those~~
35 ~~bonds and or to obtain any other advantage under federal law on~~
36 behalf of the funds of this state.

37 998.557. The Legislature hereby finds and declares that,
38 inasmuch as the proceeds from the sale of bonds authorized by
39 this article are not “proceeds of taxes” as that term is used in Article

1 XIII B of the California Constitution, the disbursement of these
2 proceeds is not subject to the limitations imposed by that article.

3 *SEC. 2. Section 998.403 of the Military and Veterans Code is*
4 *amended to read:*

5 998.403. For the purpose of creating a fund to provide farm
6 and home aid for veterans in accordance with the Veterans' Farm
7 and Home Purchase Act of 1974 (Article 3.1 (commencing with
8 Section 987.50)), and of all acts amendatory thereof and
9 supplemental thereto, the committee may create a debt or debts,
10 liability or liabilities, of the State of California, in the aggregate
11 amount of not more than ~~nine~~ *three* hundred million dollars
12 ~~(\$900,000,000)~~ (\$300,000,000), exclusive of refunding bonds, in
13 the manner provided herein.

14 *SEC. 3. Article 3.2 (commencing with Section 987.001) is added*
15 *to Chapter 6 of Division 4 of the Military and Veterans Code, to*
16 *read:*

17
18 *Article 3.2. The Veterans Housing and Homeless Prevention*
19 *Act of 2014*
20

21 987.001. *This article may be cited as the Veterans Housing*
22 *and Homeless Prevention Act of 2014.*

23 987.002. (a) *The purpose of this article is to provide the*
24 *acquisition, construction, rehabilitation, and preservation of*
25 *affordable multifamily supportive housing, affordable multifamily*
26 *transitional housing, or related facilities and services for veterans*
27 *and their families.*

28 (b) *A program established under this article shall be restricted*
29 *to veterans and their families.*

30 987.003. *As used in this article:*

31 (a) *“Board” means the California Housing Finance Agency,*
32 *the Department of Housing and Community Development, and the*
33 *Department of Veterans Affairs.*

34 (b) *“Supportive housing” has the same meaning as defined in*
35 *paragraph (2) of subdivision (c) of Section 1504.5 of the Health*
36 *and Safety Code.*

37 (c) *“Transitional housing” has the same meaning as defined*
38 *in subdivision (h) of Section 50675.2 of the Health and Safety*
39 *Code.*

1 987.004. *The administration of this article is vested solely in*
2 *the board.*

3 987.005. (a) *The board shall do all of the following:*

4 (1) *Establish and implement programs pursuant to the purposes*
5 *of this article that focus on veterans at risk for homelessness or*
6 *experiencing temporary or chronic homelessness. To the extent*
7 *feasible, the board shall establish and implement programs that,*
8 *among other things, do the following:*

9 (A) *Leverage public (federal, state, and local), private, and*
10 *nonprofit program and fiscal resources.*

11 (B) *Prioritize projects that combine housing and supportive*
12 *services, such as job training, mental health and drug treatment,*
13 *or physical rehabilitation.*

14 (C) *Promote public and private partnerships.*

15 (D) *Foster innovative financing opportunities.*

16 (2) *Approve issuance of Notices of Funding Availability.*

17 (3) *Review and score responses from the Notices of Funding*
18 *Availability.*

19 (4) *Score project applications.*

20 (b) *The board may review and adopt guidelines or regulations,*
21 *or both, to implement this article.*

22 987.006. (a) *No later than March 4, 2015, the Department of*
23 *Veterans Affairs shall enter into a memorandum of understanding*
24 *with the Department of Housing and Community Development*
25 *and the California Housing Finance Agency to address their*
26 *respective and shared responsibilities in implementing, overseeing,*
27 *and evaluating this article.*

28 (b) *No later than March 4, 2015, the board shall submit the*
29 *memorandum of understanding to the Senate and Assembly Budget*
30 *Committees.*

31 987.007. *The board shall convene a stakeholder process to*
32 *inform the development of guidelines for the implementation of*
33 *any program pursuant to this article. Stakeholders represented*
34 *shall include, but not be limited to, organizations that have*
35 *experience providing housing or homeless services, or both, to*
36 *veterans, housing developers, and public and private agencies that*
37 *serve the veteran population.*

38 987.008. (a) *Pursuant to guidelines or regulations developed*
39 *pursuant to this article, nothing in this article shall preclude a*
40 *housing provider from redesignating units within a project, so*

1 *long as the same number of units financed under this act remain*
2 *restricted to veterans and their families.*

3 *(b) Pursuant to guidelines or regulations pursuant to this article,*
4 *any units financed as supportive or transitional housing units may*
5 *be redesignated as affordable or supportive to allow a veteran*
6 *resident to remain housed in the project.*

7 *SEC. 4. Section 50408 of the Health and Safety Code is*
8 *amended to read:*

9 50408. (a) On or before December 31 of each year, the
10 department shall submit an annual report to the Governor and both
11 houses of the Legislature on the operations and accomplishments
12 during the previous fiscal year of the housing programs
13 administered by the department, including, but not limited to, the
14 Emergency Housing and Assistance Program and Community
15 Development Block Grant activity.

16 (b) The report shall include all of the following information:

17 (1) The number of units assisted by those programs.

18 (2) The number of individuals and households served and their
19 income levels.

20 (3) The distribution of units among various areas of the state.

21 (4) The amount of other public and private funds leveraged by
22 the assistance provided by those programs.

23 (5) Information detailing the assistance provided to various
24 groups of persons by programs that are targeted to assist those
25 groups.

26 (6) The information required to be reported pursuant to Section
27 17031.8.

28 *(7) An evaluation, in collaboration with the Department of*
29 *Veterans Affairs, of any program established by the department*
30 *pursuant to Article 3.2 (commencing with Section 987.001) of*
31 *Chapter 6 of Division 4 of the Military and Veterans Code.*

32 *SEC. 5. Section 50501 of the Health and Safety Code is*
33 *amended to read:*

34 50501. The department may furnish counseling and guidance
35 services to aid any governmental agency or any private or nonprofit
36 organization or persons in securing the financial aid or cooperation
37 of government agencies in the undertaking, construction,
38 maintenance, operation, or financing of housing for Indians, farm
39 laborers and their families, persons and families displaced by action
40 of any state or local public entity, workers engaged in cutting,

1 processing, milling, handling, or shipping lumber or lumber
2 products, the families of such workers, *veterans*, the elderly and
3 handicapped, and persons and families of low or moderate income.
4 The department may contract for or sponsor, subject to the
5 availability of federal funds, experimental or demonstration projects
6 for permanently fixed or mobile housing designed to meet the
7 special needs of agricultural workers, persons displaced by action
8 of any local public entity, the handicapped, the elderly, *veterans*,
9 Indians, and persons and families of low or moderate income. Such
10 contracts or sponsorship agreements may be between the
11 department and local public entities, private enterprise, or nonprofit
12 organizations.

13 *SEC. 6. Section 50505 of the Health and Safety Code is*
14 *amended to read:*

15 50505. The department may enter into agreements to provide
16 staffing to assist government agencies in the conduct of federal
17 loan and grant programs for the provision of housing for *veterans*
18 *and persons and families of* ~~low or moderate income~~ *low- or*
19 *moderate-income* in this state.

20 *SEC. 7. Section 50510 of the Health and Safety Code is*
21 *amended to read:*

22 50510. The department shall develop and, subject to specific
23 authorization and appropriation by the Legislature or the
24 availability of federal subsidies, implement demonstration subsidy
25 programs to test the effectiveness of one or more housing subsidy
26 programs for *veterans*, very low income ~~households~~ *households*,
27 or other persons and families of low or moderate income. Such
28 programs may include housing allowance payments,
29 homeownership downpayment assistance, homeownership interest
30 subsidy, leased housing subleased to very low income households,
31 rent supplement payments on behalf of very low income
32 households, or other types of subsidy programs.

33 *SEC. 8. Section 50512 of the Health and Safety Code is*
34 *amended to read:*

35 50512. The department may provide technical assistance and
36 aid to governmental agencies, nonprofit corporations, and housing
37 sponsors for the purpose of providing the benefits of assisted
38 housing to *veterans*, very low income ~~households~~ *households*, and
39 persons and families of low or moderate income which are
40 handicapped or in which the head of household has been previously

1 confined to institutional care. Subject to the availability of staff
2 resources, the department shall coordinate its technical assistance
3 activities and loan and grant programs in order to increase
4 participation and understanding of those activities and programs
5 by public and private groups and individuals seeking to expand or
6 improve housing opportunities for *veterans*, the ~~elderly~~ *elderly*,
7 or *the* handicapped.

8 ~~SEC. 4.~~

9 ~~SEC. 9. Sections 1 to 3, inclusive, Section 1~~ of this act shall
10 take effect upon the approval by the voters of the Veterans Housing
11 and Homeless Prevention *Bond* Act of 2014, as set forth in ~~Section~~
12 ~~3 of this act that section.~~

13 ~~SEC. 5.~~

14 ~~SEC. 10.~~ (a) Notwithstanding Sections 9040, 9043, 9044,
15 9061, 9094, and 13115 of the Elections Code or any other law, a
16 ballot measure that sets forth ~~Sections 1 to 3, inclusive, Section 1~~
17 of this act shall be submitted to the voters at the November 4, 2014,
18 general election.

19 (b) The Secretary of State shall ensure the placement of the
20 ballot measure as set forth in ~~Sections 1 to 3, inclusive, Section 1~~
21 of this act on the November 4, 2014, general election ballot, in
22 substantial compliance with any statutory time requirements
23 applicable to the submission of statewide measures to the voters
24 at a statewide election.

25 (c) The Secretary of State shall include, in the ballot pamphlet
26 mailed pursuant to Section 9094 of the Elections Code, the
27 information specified in Section 9084 of the Elections Code
28 regarding the provisions contained in ~~Sections 1 to 3, inclusive,~~
29 *Section 1* of this act.

30 ~~SEC. 6.~~

31 ~~SEC. 11.~~ This act is an urgency statute necessary for the
32 immediate preservation of the public peace, health, or safety within
33 the meaning of Article IV of the Constitution and shall go into
34 immediate effect. The facts constituting the necessity are:

35 In order that *Section 1* of this act be included on the November
36 4, 2014, general election ballot for purposes of assisting veterans
37 at the earliest possible time, it is necessary that this act take effect
38 immediately.

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